

**MEMORANDUM OF AGREEMENT
BETWEEN
THE MILLENNIUM CHALLENGE CORPORATION
AND
THE U.S. ARMY CORPS OF ENGINEERS, MOBILE DISTRICT**

ARTICLE I - PURPOSE AND AUTHORITY

This Memorandum of Agreement ("MOA") is entered into by and between the U.S. Army Corps of Engineers, Mobile District ("CORPS") and the Millennium Challenge Corporation ("MCC") ("the parties") for the purpose of establishing a mutual framework governing the respective responsibilities of the parties for the provision of CORPS technical services to the MCC. This MOA is entered into pursuant to the Millennium Challenge Act of 2003, 22 U.S.C. §7701, and the Chief's Economy Act, 10 U.S.C. §3036(d).

ARTICLE II – SCOPE OF WORK

Goods and services which the CORPS may provide under this MOA include technical services, contract administration, and project management, as requested, that support the MCC's mission to achieve lasting economic growth and poverty reduction in recipient countries, and such other related goods or services as may be agreed upon in the future. The initial Scope of Work as agreed by the parties is at Appendix A.

Nothing in this MOA shall be construed to require the MCC to use the CORPS or to require the CORPS to provide any goods or services to the MCC, except as may be set forth herein.

ARTICLE III - INTERAGENCY COMMUNICATIONS

To provide for consistent and effective communication between the CORPS and the MCC, each party shall appoint a Principal Representative to serve as its central point of contact on matters relating to this MOA.

ARTICLE IV - RESPONSIBILITIES OF THE PARTIES

A. Responsibilities of the CORPS

1. The CORPS shall provide the MCC with goods or services in accordance with the purpose, terms, and conditions of this MOA, as amended.
2. The CORPS shall use its best efforts to provide goods or services either by contract or by in-house effort.

3. The CORPS shall provide detailed periodic progress, financial and other reports to the MCC as agreed. Financial reports shall include information on all funds received, obligated, and expended, and on forecast obligations and expenditures.

4. The CORPS shall inform the MCC of all contracts entered into under this MOA.

B. Responsibilities of the MCC

1. The MCC shall certify that this MOA complies with the requirements of 22 U.S.C. §7701.

2. The MCC shall certify, at the time of signature, the availability of funds and that the funds made available are appropriate for the services to be provided.

3. The MCC shall pay all costs associated with the CORPS's provisions of goods or services under this MOA and any amendment thereto.

4. The MCC shall obtain for the CORPS all necessary real estate interests and access to all work sites and support facilities, and shall perform all coordination with, and obtain any permits from, the host nation or political subdivision thereof that are necessary to the execution of this MOA..

5. The MCC shall coordinate with the host nation to have Corps personnel accredited as members of the administrative and technical staff of the diplomatic mission of the United States when such personnel are conducting site visits and attending to related matters in the host nation.

ARTICLE V - FUNDING

The MCC shall pay all costs associated with the CORPS's provision of goods or services under this MOA. For work estimated to cost more than \$250,000 total in contracts and in-house services or \$50,000 in contracts, the CORPS shall bill the MCC in advance and the MCC shall provide the necessary funds in advance. For work valued at less than these amounts, the MCC may reimburse the CORPS for the goods or services. For these lesser requirements, the CORPS shall bill the MCC monthly for the costs incurred using Standard Form ("SF") 1080, Voucher for Transfers between Appropriations and/or Funds, and the MCC shall reimburse the CORPS within 30 days of receipt of an SF 1080.

If the CORPS forecasts its actual costs under this MOA to exceed the amount of funds available, it shall promptly notify the MCC of the amount of additional funds necessary to complete the work. The MCC shall either provide the additional funds to the CORPS, require that the scope of work be limited to that which can be paid for by the then-available funds, or direct termination of the work.

Within 90 days of completing the work, the CORPS shall conduct an accounting to determine the actual costs of the work. Within 30 days of completion of this accounting, the CORPS shall return to the MCC any funds advanced in excess of the actual costs as then known,

or the MCC shall provide any additional funds necessary to cover the actual costs as then known. Such an accounting shall in no way limit the MCC's duty in accordance with Article IX to pay for any costs, such as contract claims or other liability, which may become known after the final accounting.

ARTICLE VI - APPLICABLE LAWS

This MOA and all documents and actions pursuant to it shall be governed by the applicable statutes, regulations, directives, and procedures of the United States. Unless otherwise required by law, all contract work undertaken by the CORPS shall be governed by CORPS policies and procedures.

ARTICLE VII - CONTRACT CLAIMS AND DISPUTES

All claims and disputes by contractors arising under or relating to contracts awarded by the CORPS shall be resolved in accordance with Federal law and the terms of the individual contract. The CORPS shall have dispute resolution authority for these claims. Any contracting officer's final decision may be appealed by the contractor pursuant to the Contract Disputes Act of 1978 (41 U.S.C. § 601-613). The Armed Services Board of Contract Appeals (ASBCA) is designated as the appropriate board of contract appeals. In lieu of appealing to the ASBCA or its successor, the contractor may bring an action directly to the United States Court of Federal Claims.

The CORPS shall be responsible for handling all litigation involving disputes and appeals, and for coordinating with the Department of Justice as appropriate. The CORPS shall notify the MCC of any such litigation and afford the MCC an opportunity to review and comment on the litigation proceedings and any resulting settlement negotiations.

ARTICLE VIII - DISPUTE RESOLUTION

The parties agree that, in the event of a dispute between the parties, the MCC and the CORPS shall use their best efforts to resolve that dispute in an informal fashion through consultation and communication, or other forms of non-binding alternative dispute resolution mutually acceptable to the parties. The parties agree that, in the event such measures fail to resolve the dispute, they shall refer it for resolution to the Office of Management and Budget or such other entity as may be appropriate.

ARTICLE IX - RESPONSIBILITY FOR COSTS

If liability of any kind is imposed on the United States relating to the CORPS's provision of goods or services under this MOA, the CORPS will accept accountability for its actions, but the MCC shall remain responsible as the program proponent for providing such funds as are necessary to discharge the liability, and all related costs. This obligation extends to all funds legally available to discharge this liability, including funds that may be made legally available through transfer, reprogramming or other means. Should the MCC have insufficient funds legally available, including funds that may be made legally available through transfer,

reprogramming or other means, they remain responsible for seeking additional funds from Congress for such purpose, although nothing in this MOA shall be construed to imply that Congress will appropriate funds sufficient to meet the liability.

Notwithstanding the above, this MOA does not confer any liability upon the MCC for claims payable by the CORPS under the Federal Torts Claims Act. Provided further that nothing in this MOA is intended or will be construed to create any rights or remedies for any third party and no third party is intended to be a beneficiary of this MOA.

ARTICLE X - PUBLIC INFORMATION

Justification and explanation of the MCC's programs before Congress and other agencies, departments, and offices of the Federal Executive Branch shall be the responsibility of the MCC. The CORPS may provide, upon request, any assistance necessary to support the MCC's justification or explanations of the MCC's programs conducted under this MOA. In general, the MCC is responsible for all public information. The CORPS may make public announcements and respond to all inquiries relating to the ordinary procurement and contract award and administration process. The MCC or the CORPS shall make its best efforts to give the other party advance notice before making any public statement regarding work contemplated, undertaken, or completed pursuant to this MOA.

ARTICLE XI - MISCELLANEOUS

A. Other Relationships or Obligations. This MOA shall not affect any pre-existing or independent relationships or obligations between the MCC and the CORPS.

B. Survival. The provisions of this MOA which require performance after the expiration or termination of this MOA shall remain in force notwithstanding the expiration or termination of this MOA.

C. Severability. If any provision of this MOA is determined to be invalid or unenforceable, the remaining provisions shall remain in force and unaffected to the fullest extent permitted by law and regulation.

ARTICLE XII - AMENDMENT, MODIFICATION AND TERMINATION

This MOA may be modified or amended only by written, mutual agreement of the parties. Either party may terminate this MOA by providing written notice to the other party. The termination shall be effective upon the sixtieth calendar day following notice, unless a later date is set forth. In the event of termination, the MCC shall continue to be responsible for all costs incurred by the CORPS under this MOA and for the costs of closing out or transferring any on-going contracts.

In the event this MOA is amended, changing the Scope of Work, the amendment shall include the information requirements of Appendix B.

TRANSMISSION VERIFICATION REPORT

TIME : 11/07/2004 13:48
NAME : PM-M/S
FAX : 1
TEL : 2516902327
SER.# : BROF4J641899

DATE, TIME
FAX NO./NAME
DURATION
PAGE(S)
RESULT
MODE

11/07 13:47
82025213700
00:00:16
01
OK
STANDARD
ECM

NOV-24-2004 14:24

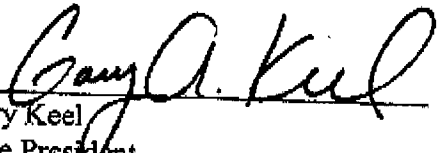
P.06

ARTICLE XIII - EFFECTIVE DATE

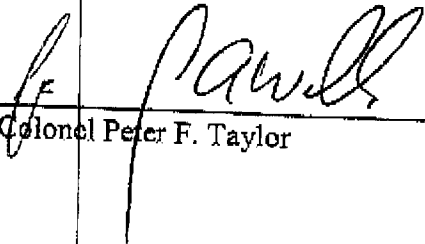
This MOA shall become effective when signed by both the MCC and the CORPS.

Millennium Challenge Corporation

U.S. Army Corps of Engineers, Mobile District



Gary Keel
Vice President
Administration & Finance



Colonel Peter F. Taylor

DATE: 11/24/04

DATE: 11/24/04

ORDER FOR SUPPLIES OR SERVICES

PAGE 1 OF PAGES 21

IMPORTANT: Mark all packages and papers with contract and/or order numbers.

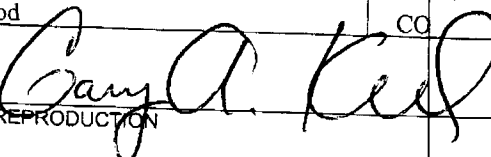
1. DATE OF ORDER 11/26/2004		2. CONTRACT NO. (if any)		6. SHIP TO:	
3. ORDER NO. MCC-05-0026-CFO		4. REQUISITION/REFERENCE NO. MCC-CFO-05-0055		a. NAME OF CONSIGNEE	
5. ISSUING OFFICE Address correspondence to: Millennium Challenge Corporation (MCC) P.O.Box 12825 Arlington, VA 22219-2825				b. STREET ADDRESS 1000 Wilson Blvd., Suite 1400	
Mia Lacewell 202.251.3878				c. CITY Arlington	d. STATE VA
7. TO: TIN:				e. ZIP CODE 22209	
a. Name of Contractor Leo Cain DUNS				8. TYPE OF ORDER	
b. Company Name US Army Corps of Engineers				X a. PURCHASE	
c. Street Address 109 Saint Joseph's Street				b. DELIVERY	
d. City Mobile e. State AL f. Zip 36601				REFERENCE YOUR: Please furnish the following on the reverse, this delivery order is subject to instructions contained on this side only of this form and is issued subject to the terms and conditions of the above-numbered contract.	
9. ACCOUNTING AND APPROPRIATION BOC: 2556 OBLIGATED AMT: \$192,753.00				10. REQUISITIONING OFFICE CFO	
11. BUSINESS CLASSIFICATION (Check appropriate box(es)) <input type="checkbox"/> a. SMALL <input checked="" type="checkbox"/> b. OTHER THAN SMALL				<input type="checkbox"/> c. DISADVANTAGED <input type="checkbox"/> d. WOMEN-OWNED	
12. F.O.B. POINT DESTINATION				14. GOVERNMENT B/L NO.	
13. PLACE OF a. INSPECTION MCC b. ACCEPTANCE MCC				15. DELIVER TO F.O.B. POINT ON OR BEFORE	
				16. DISCOUNT TERMS 00.00% 0 Days Net 30	

17. SCHEDULE (See reverse for Rejections)

ITEM NO. (a)	SUPPLIES OR SERVICES (b)	QUANTITY ORDERED (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)	QTY ACCEPT. (g)
0001	MEMORANDUM OF AGREEMENT Technical Services, Contract Administration and Project Management				Ceiling \$192,753.00	

18. SHIPPING POINT		19. GROSS SHIPPING WEIGHT		20. INVOICE NO.	
21. MAIL INVOICE TO:					
a. NAME National Business Center					
b. STREET ADDRESS (or P.O. Box) M/S D-2773 Attn: NBC Accounts Payable 7301 west Mansfield Avenue					
c. CITY Lakewood		d. STATE CO	e. ZIP CODE 80235-2230		17(h) TOTAL (Cont. pages)
US					17(i) GRAND TOTAL
Ceiling \$192,753.00					

22. UNITED STATES OF AMERICA BY (Signature)



23. NAME (Typed)

Gary A. Keel

202-521-3887

(TITLE CONTRACTING/ORDERING OFFICER)

AUTHORIZED FOR LOCAL REPRODUCTION

Previous edition not usable

OPTIONAL FORM 347 (REV. 6/95)

Introduction

The following is a proposal from the US Army Corps of Engineers (USACE) to provide technical assistance to the Millennium Challenge Corporation (MCC) in their review and assessment of three Roads Projects that were submitted by the Government of Honduras (GOH) to the MCC for solicitation of grant funds to construct these projects. The three projects are generally described in the attached document "Honduras Due Diligence Infrastructure – Roads Projects". USACE will provide assessments of the technical adequacy of these projects, conclude if they are reasonably conceived and if they will provide benefits to the people of Honduras commensurate with MCC's overall goal of "reducing poverty through growth".

Scope of Work

General. The work included in this scope generally conforms to that listed as Phase I, Parts A and B in the attached document. USACE will form a technical team consisting of a project manager, two senior civil engineers who are familiar with road design and construction, an environmental specialist, local (Honduran) engineers and cost estimating expertise that will be obtained through contracting with a private sector engineering firm. All team members are experienced with the design and construction of infrastructure projects in Central and South America. The team will review available project documents, travel to Honduras for site visits and meetings with SOPTRAVI and others as appropriate, formulate findings and conclusions and then submit both oral and written reports to the MCC. A schedule for completing this work and an estimate of costs are included in this proposal.

Specific Issues to be Addressed. The specific issues to be addressed for the three Roads Projects are listed on pages 4, 5 and 6 in the attached document under "General Questions for Each of the Three Projects" and "Project Specific Questions".

Deliverables

1. Oral briefing to the MCC in Washington DC on major findings of the field trip and meetings in country.
2. Draft report of findings and conclusions addressing all topics listed under "Deliverables", paragraph 2, on page 6 of the attached document.
3. Final report incorporating MCC comments of the Draft Report.

Schedule

Task	Start Date	Completion Date
Execute Agreement authorizing USACE assistance and providing funds.		8 Nov 2004
Field trip and in-country meetings	15 Nov 2004	23 Nov 2004
Briefing of preliminary results to MCC		2 Dec 2004
Submit Draft Report to MCC		13 Dec 2004
Receive Comments on Draft Report		27 Dec 2004
Submit Final Report to MCC		10 Jan 2005

Cost Estimate

Detailed cost sheets are attached. Total cost of above work is estimated at **\$192,753.00**

USACE POC: Leo Cain
Project Manager
(251)690-3440
leo.j.cain@sam.usace.army.mil

Government Estimate BDI Support to MCC
Prepared by PM-LA Billy Brown 6 November 2004

Labor

Project Engineer	200 hours @ \$90.11/hr	\$18,022.00
Civil Engineer	160 hours @ \$87.99/hr	\$14,078.40
Clerical & Technician	40 hrs @ 44.53	\$1,781.20
		\$33,881.60

Travel - Honduras 2 people

airline tickets	2 @ \$1400 each	2500
PD	18 days @\$175	3150
Parking & Misc		120
		5770

Travel - Washington 1 person

airline tickets	1 @ \$600 each	600
PD	2 days @\$200	400
Parking & Misc		25
		1025

subtotal	\$40,676.60
----------	-------------

10% profit	\$4,067.66
------------	------------

TOTAL	\$44,744.26
-------	-------------